
Rules of Department of Economic Development

Division 240—Public Service Commission Chapter 13—Service and Billing Practices for Residential Customers of Electric, Gas and Water Utilities

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**Title 4—DEPARTMENT OF
ECONOMIC DEVELOPMENT
Division 240—Public Service
Commission
Chapter 13—Service and Billing
Practices for Residential Customers of
Electric, Gas and Water Utilities**

4 CSR 240-13.010 General Provisions

PURPOSE: This rule describes in general terms the provisions of this chapter.

(1) This chapter applies to residential utility service provided by all electric, gas and water public utilities, referred to in this chapter as utilities, which are subject to the jurisdiction of the Public Service Commission under the laws of the state.

(2) A utility shall not discriminate against a customer or applicant for service for exercising any right granted by this chapter.

(3) The informal procedures contained in these rules shall not constitute a formal complaint as defined in 4 CSR 240-2.070.

(4) A utility shall adopt rules governing its relations with customers and applicants for service which are consistent with this chapter. The rules shall be part of a utility's tariffs. Any tariff revisions, if required to comply with this chapter or to reflect any variances therefrom previously granted by the commission, shall be filed by the utility within ninety (90) days of the effective date of this rule. Once such revised tariffs become effective, the utility's tariffs shall be deemed to be in full compliance with this chapter.

AUTHORITY: section 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. Original rule filed Dec. 19, 1975, effective Dec. 30, 1975. Amended: Filed Oct. 14, 1977, effective Jan. 13, 1978. Rescinded and readopted: Filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 393.140(II), RSMo 1939, amended 1949, 1967.*

4 CSR 240-13.015 Definitions

PURPOSE: This rule defines various terms that are used in this chapter.

(1) The following definitions shall apply to this chapter:

(A) Bill means a written demand for payment for service and the taxes and franchise fees related to it;

(B) Billing period means a normal usage period of not less than twenty-six (26) nor more than thirty-five (35) days for a monthly billed customer nor more than one hundred (100) days for a quarterly billed customer, except for initial, corrected or final bills;

(C) Complaint means an informal or formal complaint under 4 CSR 240-2.070;

(D) Customer means a person or legal entity responsible for payment for service except one denoted as a guarantor;

(E) Cycle billing means a system which results in the rendition of bills to various customers on different days of a month;

(F) Delinquent charge means a charge remaining unpaid by a monthly billed customer at least twenty-one (21) days and for at least sixteen (16) days by a quarterly billed customer from the rendition of the bill by the utility or a charge remaining unpaid after the preferred payment date selected by the customer;

(G) Delinquent date means the date stated on a bill, which shall be at least twenty-one (21) days for a monthly billed customer, and at least sixteen (16) days for a quarterly billed customer from the rendition of the bill or which shall be the preferred payment plan date selected by the customer, after which the utility may assess an approved late payment charge in accordance with a utility tariff on file with the commission;

(H) Deposit means a money advance to a utility for the purpose of securing payment of delinquent charges which might accrue to the customer who made the advance;

(I) Discontinuance of service or discontinuance means a cessation of service not requested by a customer;

(J) Due date means the date stated on a bill when the charge is considered due and payable;

(K) Estimated bill means a charge for utility service which is not based on an actual reading of the meter or other registering device by an authorized utility representative;

(L) Extension agreement means a verbal agreement between the utility and the customer extending payment for fifteen (15) days or less;

(M) Guarantee means a written promise from a third party to assume liability up to a specified amount for delinquent charges which might accrue to a particular customer;

(N) In dispute means any matter regarding a charge or service which is the subject of an unresolved inquiry;

(O) Late payment charge means an assessment on a delinquent charge in accordance with a utility tariff on file with the commission and in addition to the delinquent charge;

(P) Preferred payment date plan means a commission-approved plan offered at the utility's option in which the delinquent date for the charges stated on a bill shall occur on the same day during each billing period as selected by the customer;

(Q) Purchased gas adjustment clause means the adjustment procedure approved by the commission to recognize variations in the cost of purchased gas;

(R) Rendition of a bill means the mailing or hand delivery of a bill by a utility to a customer;

(S) Residential service or service means the provision of or use of a utility service for domestic purposes;

(T) Seasonally billed customer means a residential customer billed on a seasonal basis in accordance with a utility tariff on file with the commission;

(U) Settlement agreement means an agreement between a customer and a utility which resolves any matter in dispute between the parties or provides for the payment of undisputed charges over a period longer than the customer's normal billing period;

(V) Tariff means a schedule of rates, services and rules approved by the commission;

(W) Termination of service or termination means a cessation of service requested by a customer;

(X) Utility means an electric, gas or water corporation as those terms are defined in section 386.020, RSMo; and

(Y) Utility charges means the rates for utility service and other charges authorized by the commission as an integral part of utility service.

AUTHORITY: sections 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. Original rule filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 393.140(II), RSMo 1939, amended 1949, 1967.*

4 CSR 240-13.020 Billing and Payment Standards

PURPOSE: This rule establishes reasonable and uniform billing and payment standards to be observed by utilities and customers.

(1) A utility shall normally render a bill for each billing period to every residential customer in accordance with its tariff.

(2) Each billing statement rendered by a utility shall be computed on the actual usage during the billing period except as follows:

(A) A utility may render a bill based on estimated usage—

1. To seasonally billed customers, provided an appropriate tariff is on file with the commission and an actual reading is obtained before each change in the seasonal cycle;

2. When extreme weather conditions, emergencies, labor agreements or work stoppages prevent actual meter readings; and

3. When the utility is unable to obtain access to the customer's premises for the purpose of reading the meter or when the customer makes reading the meter unnecessarily difficult. If the utility is unable to obtain an actual meter reading for these reasons, where practicable it shall undertake reasonable alternatives to obtain a customer reading of the meter, such as mailing or leaving postpaid, preaddressed postcards upon which the customer may note the reading unless the customer requests otherwise;

(B) A utility shall not render a bill based on estimated usage for more than three (3) consecutive billing periods or one (1) year, whichever is less, except under conditions described in subsection (2)(A) of this rule;

(C) Under no circumstances shall a utility render a bill based on estimated usage—

1. Unless the estimating procedures employed by the utility and any substantive changes to those procedures have been approved by the commission;

2. As a customer's initial or final bill for service unless conditions beyond the control of the utility prevent an actual meter reading;

(D) When a utility renders an estimated bill in accordance with these rules, it shall—

1. Maintain accurate records of the reasons for the estimate and the effort made to secure an actual reading;

2. Clearly and conspicuously note on the bill that it is based on estimated usage; and

3. Use customer-supplied readings, whenever possible, to determine usage; and

(E) When a utility underestimates a customer's usage, the customer shall be given the opportunity, if requested, to make payment in installments.

(3) If a utility is unable to obtain an actual meter reading for three (3) consecutive billing periods, the utility shall advise the

customer by first class mail or personal delivery that the bills being rendered are estimated, that estimation may not reflect the actual usage and that the customer may read and report electric, gas or water usage to the utility on a regular basis. The procedure by which this reading and reporting may be initiated shall be explained. A utility shall attempt to secure an actual meter reading from customers reporting their own usage at least annually, except for quarterly-billing utilities in which case it shall be every two (2) years. These attempts shall include personal contact with the customer to advise the customer of the regular meter reading day. The utility shall offer appointments for meter readings on Saturday or prior to 9:00 p.m. on weekdays. The utility's obligation to make appointments shall begin only after a tariff, for the appointments, has been filed with and approved by the commission. Discontinuance of the service of a customer who is reading and reporting usage on a regular basis because of inability to secure an actual meter reading shall not be required.

(4) If a customer fails to report usage to the utility, the company shall obtain a meter reading at least annually. The utility shall notify the customer that if usage is not reported regularly by the customer and if the customer fails, after written request, to grant access to the meter, then service may be discontinued pursuant to 4 CSR 240-13.050.

(5) Notwithstanding section (2) of this rule, a utility may bill its customers in accordance with equal payment billing programs at the election of the utility customer, provided the equal payment billing program has been previously approved by the commission.

(6) A utility may bill its customers on a cyclical basis if the individual customer receives each billing on or about the same day of each billing period. If a utility changes a meter reading route or schedule which results in a change of nine (9) days or more of a billing cycle, notice shall be given to the affected customer at least fifteen (15) days prior to the date the customer receives a bill based on the new cycle.

(7) A monthly-billed customer shall have at least twenty-one (21) days and a quarterly-billed customer shall have at least sixteen (16) days from the rendition of the bill to pay the utility charges, unless a customer has selected a preferred payment date in accordance with a utility's preferred payment date

plan. If the due date or delinquent date falls upon a Sunday, legal holiday, or any other day when the offices of the utility regularly used for the payment of customer bills are not open to the general public, the due date or delinquent date shall be extended through the next business day. The date of payment for remittance by mail is the date on which the utility receives the remittance. A utility shall not base an assessment of a deposit or delinquent charge, or a discontinuance of service, on a payment that was made to a payment agent on or before the due date or delinquent date.

(8) A utility shall not assess an additional charge upon a customer by reason of the customer's failure to pay any balance due and owing prior to the delinquent date unless this additional charge has been approved by the commission as a part of the utility's rate tariffs.

(9) Every bill for residential utility service shall clearly state—

(A) The beginning and ending meter readings of the billing period and the dates of these readings;

(B) The date when the bill will be considered due and the date when it will be delinquent, if different;

(C) Any previous balance which states the balance due for utility charges separate from charges for services not subject to commission jurisdiction;

(D) The amount due for the most recent billing period for electric, gas or water usage stated separately from the amount due for the same period for a deposit and the amount due for the same period for service not subject to commission jurisdiction;

(E) The amount due for other authorized charges;

(F) The total amount due;

(G) The telephone number the customer may call from the customer's service location without incurring toll charges and the address of the utility where the customer may initiate an inquiry or complaint regarding the bill as rendered or the service provided. Charges for measured local service are not toll charges for purposes of this rule;

(H) License, occupation, gross receipts, franchise and sales taxes; and

(I) Purchased gas adjustment cost in total or cents per unit basis.

(10) A utility shall render a separate billing for service provided at each address unless

otherwise requested by the customer and agreed to by the utility.

(11) A utility may include charges for special services together with utility charges on the same bill if the charges for special services are designated clearly and separately from utility charges. If partial payment is made, the utility shall first credit all payments to the balance outstanding for gas, electric or water charges, before crediting a deposit.

(12) During the billing period prior to any tariffed seasonal rate change, a utility shall notify each affected customer, on the bill or on a notice accompanying the bill, of the direction of the upcoming seasonal rate change and the months during which the forthcoming seasonal rate will be in effect.

AUTHORITY: sections 386.250(6), RSMo Supp. 1991 393.140(II), RSMo 1986.* Original rule filed Dec. 19, 1975, effective Dec. 30, 1975. Amended: Filed Oct. 14, 1977, effective Jan. 13, 1978. Rescinded and readopted: Filed Sept. 22, 1993, effective July 10, 1994.

*Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1980, 1987, 1988, 1991 and 393.140(II), RSMo 1939, amended 1949, 1967.

4 CSR 240-13.025 Billing Adjustments

PURPOSE: This rule establishes billing adjustments in the event of an overcharge or an undercharge.

(1) For all billing errors, the utility will determine from all related and available information the probable period during which this condition existed and shall make billing adjustments for the estimated period involved as follows:

(A) In the event of an overcharge, an adjustment shall be made for the entire period that the overcharge can be shown to have existed not to exceed sixty (60) consecutive monthly billing periods, or twenty (20) consecutive quarterly billing periods, calculated from the date of discovery, inquiry or actual notification of the utility, whichever comes first;

(B) In the event of an undercharge, an adjustment shall be made for the entire period that the undercharge can be shown to have existed not to exceed twelve (12) monthly billing periods or four (4) quarterly billing periods, calculated from the date of discov-

ery, inquiry or actual notification of the utility, whichever was first;

(C) No billing adjustment will be made where the full amount of the adjustment is less than one dollar (\$1);

(D) Where, upon test, an error in measurement is found to be within the limits prescribed by commission rules, no billing adjustment will be made; and

(E) When evidence of tampering is found, or there are misrepresentations of the use of service by the customer, the utility will calculate the billing adjustment period in accordance with the applicable statute of limitations for the prosecution of such claim after determining the probable period during which such condition existed from all related and available information.

AUTHORITY: section 393.140(II), RSMo 1986.* Original rule filed Sept. 22, 1993, effective July 10, 1994.

*Original authority 1939, amended 1940, 1967.

4 CSR 240-13.030 Deposits and Guarantees of Payment

PURPOSE: This rule establishes reasonable and uniform standards regarding deposits and guarantees required by utilities.

(1) A utility may require a deposit or other guarantee as a condition of new residential service if—

(A) The customer has outstanding with a utility providing the same type of service, an unpaid bill which accrued within the last five (5) years and, at the time of the request for service, remains unpaid and not in dispute;

(B) The customer has in an unauthorized manner interfered with or diverted the service of a utility providing the same service situated on or about or delivered to the customer's premises within the last five (5) years; or

(C) The customer is unable to establish an acceptable credit rating under standards contained in tariffs filed with and approved by the commission. The customer shall be deemed *prima facie* to have established an acceptable credit rating if the customer meets any of the following criteria:

1. Owns or is purchasing a home;
2. Is and has been regularly employed on a full-time basis for at least one (1) year;
3. Has an adequate regular source of income; or

4. Can provide adequate credit references from a commercial credit source.

(2) A utility may require a deposit or guarantee as a condition of continued residential service if—

(A) The service of the customer has been discontinued by the utility for nonpayment of a delinquent account not in dispute;

(B) In an unauthorized manner, the customer interfered with or diverted the service of the utility situated on or about or delivered to the customer's premises; or

(C) The customer has failed to pay an undisputed bill on or before the delinquent date for five (5) billing periods out of twelve (12) consecutive monthly billing periods, or two (2) quarters out of four (4) consecutive quarters. Prior to requiring a customer to post a deposit under this subsection, the utility shall send the customer a written notice explaining the utility's right to require a deposit or include such explanation with each written discontinuance notice.

(3) Deposits for gas and electric service assessed under the provisions of subsection (2)(A) or (C) of this rule during the months of November, December and January may be paid, if the customer is unable to pay the entire deposit, by installments over a six (6)-month period.

(4) A deposit shall be subject to the following terms:

(A) It shall not exceed two (2) times the highest bill for utility charges actually incurred or estimated to be incurred by the customer during the most proximate twelve (12)-month period at the service location or, in the case of a new customer, who is assessed a deposit under subsection (1)(C) of this rule, one-sixth (1/6) of the estimated annual bill for monthly billed customers and one-third (1/3) of the estimated annual bill for quarterly billed customers for utility charges at the requested service location;

(B) It shall bear interest at a rate specified in utility tariffs, approved by the commission, which shall be credited annually upon the account of the customer or paid upon the return of the deposit, whichever occurs first. Interest shall not accrue on any deposit after the date on which a reasonable effort has been made to return it to the customer. Records shall be kept of efforts to return a deposit. This rule shall not preclude a utility from crediting interest upon each service account during one (1) billing cycle annually;

(C) Upon discontinuance or termination other than for a change of service address, it shall be credited, with accrued interest, to the utility charges stated on the final bill and the balance, if any, shall be returned to the customer within twenty-one (21) days of the rendition of the final bill;

(D) Upon satisfactory payment of all undisputed utility charges during the last twelve (12) billing months, it shall be promptly refunded or credited, with accrued interest, against charges stated on subsequent bills. Payment of a charge is satisfactory if received prior to the date upon which the charge becomes delinquent provided it is not in dispute. Payment of a disputed bill shall be satisfactory if made within ten (10) days of resolution or withdrawal of the dispute. A utility may withhold refund of a deposit pending the resolution of a dispute with respect to charges secured by the deposit;

(E) A utility shall maintain records which show the name of each customer who has posted a deposit, the current address of the customer, the date and amount of deposit, the date and amount of interest paid and information to determine the earliest possible refund date;

(F) Each customer posting a security deposit shall receive, in writing, at the time of tender of deposit or with the first bill a receipt as evidence of deposit, unless the utility shows the existence or nonexistence of a deposit on the customer's bill, in which event the receipt shall not be required unless requested by the customer. The receipt shall contain the following minimum information:

1. Name of customer;
2. Date of payment;
3. Amount of payment;
4. Identifiable name, signature and title of the utility employee receiving payment; and

5. Statement of the terms and conditions governing the payment, retention and return of deposits;

(G) A utility shall provide means where a person entitled to a return of a deposit is not deprived of the deposit refund even though s/he may be unable to produce the original receipt for the deposit; provided, s/he can produce adequate identification to ensure that s/he is the customer entitled to refund of the deposit;

(H) No deposit or guarantee or additional deposit or guarantee shall be required by a utility because of race, sex, creed, national origin, marital status, age, number of dependents, source of income, disability or geographical area of residence; and

(I) A utility shall provide means where a customer required to make a deposit may pay the deposit in installments unless the utility can show a likelihood that the customer does not intend to pay for the service.

(5) In lieu of a deposit, a utility may accept a written guarantee. The limit of the guarantee shall not exceed the amount of a cash deposit.

(6) A guarantor shall be released upon satisfactory payment of all undisputed utility charges during the last twelve (12) billing months. Payment of a charge is satisfactory if received prior to the date upon which the charge becomes delinquent provided it is not in dispute. Payment of a disputed bill shall be satisfactory if made within ten (10) days of resolution or withdrawal of the dispute.

*AUTHORITY: sections 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. *Original rule filed Dec. 19, 1975, effective Dec. 30, 1975. Amended: Filed Oct. 14, 1977, effective Jan. 13, 1978. Amended: Filed June 10, 1992, effective Feb. 26, 1993. Rescinded and readopted: Filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 393.140(II), RSMo 1939, amended 1949, 1967.*

4 CSR 240-13.040 Inquiries

PURPOSE: This rule establishes procedures to be followed when customers make inquiries of utilities so the inquiries are handled in a reasonable manner.

(1) A utility shall adopt procedures which will ensure the prompt and thorough receipt, investigation and, where possible, resolution of inquiries. The utility shall submit the procedures to the commission and the utility shall notify the commission and the public counsel of any substantive changes in these procedures prior to implementation.

(2) A utility shall establish personnel procedures which, at a minimum, insure that—

(A) Qualified personnel shall be available and prepared at all times during normal business hours to receive and respond to all customer inquiries, service requests and complaints. A utility shall make necessary arrangements to insure that customers unable to communicate in the English language receive assistance;

(B) Qualified personnel responsible for and authorized to enter into written agreements on behalf of the utility shall be available at all times during normal business hours to respond to customer inquiries and complaints;

(C) Qualified personnel shall be available at all times to receive and initiate response to customer contacts regarding any discontinuance of service or emergency condition occurring within the utility's service area; and

(D) Names, addresses and telephone numbers of personnel designated and authorized to receive and respond to the requests and directives of the commission regarding customer inquiries, service requests and complaints shall be provided to the commission.

(3) A utility shall prepare, in written form, information which in layman's terms summarizes the rights and responsibilities of the utility and its customers in accordance with this chapter. The form shall be submitted to the consumer services department of the Missouri Public Service Commission, and to the Office of the Public Counsel. This written information shall be displayed prominently, and shall be available at all utility office locations open to the general public, and shall be mailed or otherwise delivered to each residential customer of the utility if requested by the customer. The information shall be delivered or mailed to each new customer of the utility upon the commencement of service and shall be available at all times upon request. The written information shall indicate conspicuously that it is being provided in accordance with the rules of the commission, and shall contain information concerning, but not limited to:

(A) Billing and estimated billing procedures;

(B) Methods for customer verification of billing accuracy;

(C) Customer payment requirements and procedures;

(D) Deposit and guarantee requirements;

(E) Conditions of termination, discontinuance and reconnection of service;

(F) Procedures for handling inquiries;

(G) Explanation of meter reading procedures which would enable a customer to read his/her own meter;

(H) A procedure where a customer may avoid discontinuance of service during a period of absence;

(I) Complaint procedures under 4 CSR 240-2.070;

(J) The telephone number and address of a customer services office of the Missouri Public Service Commission, the commission's 800 telephone number, and the statement that the company is regulated by the Missouri Public Service Commission;

(K) The address and telephone number of the Office of Public Counsel and a statement of the function of that office; and

(L) If the utility is a gas distribution company, an explanation of the function of the purchased gas adjustment clause.

(4) At all of its public business offices, a utility shall make available for public inspection a copy of this chapter and the utility's tariffs. At these offices, conspicuous signs shall be posted which indicate that this information is available for public inspection.

(5) A utility shall maintain records on its customers for at least two (2) years which contain information concerning:

(A) The payment performance of each of its customers for each billing period;

(B) The number and general description of complaints registered with the utility;

(C) The number of settlement agreements made by the utility;

(D) The actual number of discontinuances of service due to each of the following categories of reasons:

1. The customer's failure to keep a settlement agreement or cold weather rule payment agreement;

2. The customer's failure to make any other required utility payment;

3. Unauthorized interference, diversion or use of utility service; and

4. All other reasons combined.

(E) Actual number of reconnections; and

(F) Refund of deposits.

(6) The utility shall submit to the commission, upon request, a written summary of the information required by section (5) of this rule.

AUTHORITY: sections 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. Original rule filed Dec. 19, 1975, effective Dec. 30, 1975. Amended: Filed Oct. 14, 1977, effective Jan. 13, 1978. Rescinded and readopted: Filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 394.140(II), RSMo 1939, amended 1949, 1967.*

4 CSR 240-13.045 Disputes

PURPOSE: This rule establishes reasonable and uniform standards for handling disputes between customers and utilities.

(1) A customer shall advise a utility that all or part of a charge is in dispute by written notice, in person or by a telephone message directed to the utility during normal business hours. A dispute must be registered with the utility at least twenty-four (24) hours prior to the date of proposed discontinuance for a customer to avoid discontinuance of service as provided by these rules.

(2) When a customer advises a utility that all or part of a charge is in dispute, the utility shall record the date, time and place the contact is made; investigate the contact promptly and thoroughly; and attempt to resolve the dispute in a manner satisfactory to both parties.

(3) Failure of a customer to participate with the utility in efforts to resolve an inquiry which has the effect of placing charges in dispute shall constitute a waiver of the customer's right to continuance of service and the utility, not less than five (5) days after provision of the notification required by section (9), may proceed to discontinue service unless the customer files an informal complaint with the commission within the five (5)-day period.

(4) Customers presenting frivolous disputes shall have no right to continued service. A utility, before proceeding to discontinue the service of a customer presenting a dispute it deems frivolous, shall advise the consumer services department of the commission of the circumstances. The consumer services department shall attempt to contact the customer by telephone and ascertain the basis of the dispute. If telephone contact cannot be made, the consumer services department shall send the customer a notice by first class mail stating that service may be discontinued by the utility unless the customer contacts the consumer services department within twenty-four (24) hours. If it appears to the consumer services department that the dispute is frivolous or if contact with the customer cannot be made within seventy-two (72) hours following the utility's report, the utility shall be advised that it may proceed to discontinue service. If it appears that the dispute is not frivolous, service shall not be discontinued

until ten (10) days after the notice required by 4 CSR 240-13.050(5) has been sent to the customer by the utility. The customer shall retain the right to make an informal complaint to the commission.

(5) If a customer disputes a charge, s/he shall pay to the utility an amount equal to that part of the charge not in dispute. The amount not in dispute shall be mutually determined by the parties. The parties shall consider the customer's prior consumption history, weather variations, the nature of the dispute and any other pertinent factors in determining the amount not in dispute.

(6) If the parties are unable to mutually determine the amount not in dispute, the customer shall pay to the utility, at the utility's option, an amount not to exceed fifty percent (50%) of the charge in dispute or an amount based on usage during a like period under similar conditions which shall represent the amount not in dispute.

(7) Failure of the customer to pay to the utility the amount not in dispute within four (4) working days from the date that the dispute is registered or by the delinquent date of the disputed bill, whichever is later, shall constitute a waiver of the customer's right to continuance of service and the utility may then proceed to discontinue service as provided in this rule.

(8) If the dispute is ultimately resolved in favor of the customer in whole or in part, any excess moneys paid by the customer shall be refunded promptly.

(9) If the utility does not resolve the dispute to the satisfaction of the customer, the utility representative shall notify the customer that each party has a right to make an informal complaint to the commission, and of the address and telephone number where the customer may file an informal complaint with the commission. If a customer files an informal complaint with the commission prior to advising the company that all or a portion of a bill is in dispute, the commission shall notify the customer of the payment required by sections (5) or (6) of this rule.

(10) A utility may treat a customer complaint or dispute involving the same question or issue based upon the same facts as already determined and is not required to comply with these rules more than once prior to discontinuance of service.



AUTHORITY: sections 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. Original rule filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 393.140(II), RSMo 1939, amended 1949, 1967.*

4 CSR 240-13.050 Discontinuance of Service

PURPOSE: This rule prescribes the conditions under which service to a customer may be discontinued and procedures to be followed by utilities and customers regarding these matters so that reasonable and uniform standards exist for the discontinuance of service.

(1) Service may be discontinued for any of the following reasons:

- (A) Nonpayment of an undisputed delinquent charge;
- (B) Failure to post a required deposit or guarantee;
- (C) Unauthorized interference, diversion or use of the utility service situated or delivered on or about the customer's premises;
- (D) Failure to comply with terms of a settlement agreement;
- (E) Refusal after reasonable notice to permit inspection, maintenance, replacement or meter reading of utility equipment. If the utility has a reasonable belief that health or safety is at risk, notice at the time inspection is attempted is reasonable;
- (F) Misrepresentation of identity in obtaining utility service;
- (G) Violation of any other rules of the utility approved by the commission which adversely affects the safety of the customer or other persons or the integrity of the utility's system; or
- (H) As provided by state or federal law.

(2) None of the following shall constitute sufficient cause for a utility to discontinue service:

- (A) The failure of a customer to pay for merchandise, appliances or services not subject to commission jurisdiction as an integral part of the utility service provided by a utility;
- (B) The failure of the customer to pay for service received at a separate metering point, residence or location. In the event of discontinuance or termination of service at a separate residential metering point, residence or location in accordance with these rules, a

utility may transfer and bill any unpaid balance to any other residential service account of the customer and may discontinue service after twenty-one (21) days after rendition of the combined bill, for nonpayment, in accordance with this rule;

(C) The failure of the customer to pay for a different class of service received at the same or different location. The placing of more than one (1) meter at the same location for the purpose of billing the usage of specific devices under optional rate schedules or provisions is not construed as a different class of service for the purpose of this rule;

(D) The failure to pay the bill of another customer, unless the customer whose service is sought to be discontinued received substantial benefit and use of the service;

(E) The failure of a previous owner or occupant of the premises to pay an unpaid or delinquent bill except where the previous occupant remains an occupant or user; or

(F) The failure to pay a bill correcting a previous underbilling, whenever the customer claims an inability to pay the corrected amount, unless a utility has offered the customer a payment arrangement equal to the period of underbilling.

(3) On the date specified on the notice of discontinuance or within eleven (11) business days after that, and subject to the requirements of these rules, a utility may discontinue service to a residential customer between the hours of 8:00 a.m. and 4:00 p.m. Service shall not be discontinued on a day when utility personnel are not available to reconnect the customer's service, or on a day immediately preceding such a day. After the eleven (11) business day effective period of the notice, all notice procedures required by this rule shall again be followed before the utility may discontinue service.

(4) The notice of discontinuance shall contain the following information:

- (A) The name and address of the customer and the address, if different, where service is rendered;
- (B) A statement of the reason for the proposed discontinuance of service and the cost for reconnection;
- (C) The date on or after which service will be discontinued unless appropriate action is taken;
- (D) How a customer may avoid the discontinuance;
- (E) The possibility of a settlement agreement if the claim is for a charge not in dis-

pute and the customer is unable to pay the charge in full at one (1) time; and

(F) A telephone number the customer may call from the service location without incurring toll charges and the address of the utility prominently displayed where the customer may make an inquiry. Charges for measured local service are not toll charges for purposes of this rule.

(5) A utility shall not discontinue residential service pursuant to section (1) unless written notice by first class mail is sent to the customer at least ten (10) days prior to the date of the proposed discontinuance. Service of notice by mail is complete upon mailing. As an alternative, a utility may deliver a written notice in hand to the customer at least ninety-six (96) hours prior to discontinuance. A utility shall maintain an accurate record of the date of mailing or delivery. A notice of discontinuance of service shall not be issued as to that portion of a bill which is determined to be an amount in dispute pursuant to sections 4 CSR 240-13.045(5) or (6) that is currently the subject of a dispute pending with the utility or complaint before the commission, nor shall such a notice be issued as to any bill or portion of a bill which is the subject of a settlement agreement except after breach of a settlement agreement, unless the utility inadvertently issues the notice, in which case the utility shall take necessary steps to withdraw or cancel this notice.

(6) Notice shall be provided as follows:

(A) At least ten (10) days prior to discontinuance of service for nonpayment of a bill or deposit at a multidwelling unit residential building at which usage is measured by a single meter, notices of the company's intent to discontinue shall be conspicuously posted in public areas of the building; provided, however, that these notices shall not be required if the utility is not aware that the structure is a single-metered multidwelling unit residential building. The notices shall include the date on or after which discontinuance may occur and advise of tenant rights pursuant to section 441.650, RSMo. The utility shall not be required to provide notice in individual situations where safety of employees is a consideration.

(B) At least ten (10) days prior to discontinuance of service for nonpayment of a bill or deposit at a multidwelling unit residential building where each unit is individually metered and for which a single customer is responsible for payment for service to all units in the building or at a residence in

which the occupant using utility service is not the utility's customer, the utility shall give the occupant(s) written notice of the utility's intent to discontinue service; provided, however, that this notice shall not be required unless one (1) occupant has advised the utility or the utility is otherwise aware that s/he is not the customer; and

(C) In the case of a multidwelling unit residential building where each unit is individually metered or in the case of a single family residence, the notice provided to the occupant of the unit about to be discontinued shall outline the procedure by which the occupant may apply in his/her name for service of the same character presently received through that meter.

(7) At least twenty-four (24) hours preceding a discontinuance, a utility shall make reasonable efforts to contact the customer to advise him/her of the proposed discontinuance and what steps must be taken to avoid it. Reasonable efforts shall include either a written notice following the notice pursuant to section (4), a doorhanger or at least two (2) telephone call attempts reasonably calculated to reach the customer.

(8) Immediately preceding the discontinuance of service, the employee of the utility designated to perform this function, except where the safety of the employee is endangered, shall make a reasonable effort to contact and identify him/herself to the customer or a responsible person then upon the premises and shall announce the purpose of his/her presence. When service is discontinued, the employee shall leave a notice upon the premises in a manner conspicuous to the customer that service has been discontinued and the address and telephone number of the utility where the customer may arrange to have service restored.

(9) Notwithstanding any other provision of this rule, a utility shall postpone a discontinuance for a time not in excess of twenty-one (21) days if the discontinuance will aggravate an existing medical emergency of the customer, a member of his/her family or other permanent resident of the premises where service is rendered. Any person who alleges a medical emergency, if requested, shall provide the utility with reasonable evidence of the necessity.

(10) Notwithstanding any other provision of this rule, a utility may discontinue residential

service temporarily for reasons of maintenance, health, safety or a state of emergency.

(11) Upon the customer's request, a utility shall restore service consistent with all other provisions of this chapter when the cause for discontinuance has been eliminated, applicable restoration charges have been paid and, if required, satisfactory credit arrangements have been made. At all times, a reasonable effort shall be made to restore service upon the day restoration is requested, and in any event, restoration shall be made not later than the next working day following the day requested by the customer. The utility may charge the customer a reasonable fee for restoration of service, if provided in the utility's approved tariffs.

AUTHORITY: sections 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. Original rule filed Dec. 19, 1975, effective Dec. 30, 1975. Amended: Filed Oct. 14, 1977, effective Jan. 13, 1978. Emergency amendment filed Jan. 30, 1984, effective Feb. 9, 1984, expired April 1, 1984. Rescinded and readopted: Filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 393.140(II) 1939, amended 1949, 1967.*

4 CSR 240-13.055 Cold Weather Maintenance of Service: Provision of Residential Heat-Related Utility Service During Cold Weather

PURPOSE: This rule protects the health and safety of residential customers receiving heat-related utility service by placing restrictions on discontinuing and refusing to provide heat-related utility service from November 1 through March 31 due to delinquent accounts of those customers. Reporting requirements regarding heat-related utility service are found at 4 CSR 240-3.175 for electric utilities and at 4 CSR 240-3.250 for gas utilities.

(1) The following definitions shall apply in this rule:

(A) Energy Crisis Intervention Program (ECIP) means the federal ECIP administered by the Missouri Division of Family Services under section 660.100, RSMo;

(B) Heat-related utility service means any gas or electric service that is necessary to the proper function and operation of a customer's heating equipment;

(C) Low Income Home Energy Assistance Program (LIHEAP) means the federal LIHEAP administered by the Missouri Division of Family Services under section 660.110, RSMo;

(D) Registered elderly or handicapped customer means one who is sixty (60) years old and above, or is handicapped to the extent that s/he is unable to leave the premises without assistance and who files with the utility a form approved by the commission attesting to the fact that s/he meets these qualifications and which also lists an agency or person the utility shall contact as required in this rule; and

(E) Utilicare means the state program of energy assistance established by section 660.122, RSMo.

(2) This rule takes precedence over other rules on provision of heat-related utility service from November 1 through March 31 annually.

(3) Notice Requirements. From November 1 through March 31, prior to discontinuance of service due to nonpayment, the utility shall—

(A) Notify the customer, at least ten (10) days prior to the date of the proposed discontinuance, by first-class mail, and in the case of a registered elderly or handicapped customer the additional party listed on the customer's registration form of the utility's intent to discontinue service. The contact with the registered individual shall include initially two (2) or more telephone call attempts with the mailing of the notice;

(B) Make further attempts to contact the customer within ninety-six (96) hours preceding discontinuance of service either by a second written notice as in subsection (3)(A), sent by first class mail; or a door hanger; or at least two (2) telephone call attempts to the customer;

(C) Attempt to contact the customer at the time of the discontinuance of service in the manner specified by 4 CSR 240-13.050(8);

(D) Make a personal contact on the premises with a registered elderly or handicapped customer or some member of the family above the age of fifteen (15) years, at the time of the discontinuance of service; and

(E) Ensure that all of the notices and contacts required in this section shall describe the terms for provisions of service under this rule, including the method of calculating the required payments, the availability of financial assistance from the Division of Family Services and social service or charitable organizations that have notified the utility that



they provide that assistance and the identity of those organizations.

(4) Weather Provisions. Discontinuance of gas and electric service to all residential users, including all residential tenants of apartment buildings, for nonpayment of bills where gas or electricity is used as the source of space heating or to control or operate the only space heating equipment at the residence is prohibited—

(A) On any day when the National Weather Service local forecast between 6:00 a.m. to 9:00 a.m., for the following twenty-four (24) hours predicts that the temperature will drop below thirty degrees Fahrenheit (30°F); and

(B) On any day when utility personnel will not be available to reconnect utility service during the immediately succeeding day(s) (Period of Unavailability) and the National Weather Service local forecast between 6:00 a.m. to 9:00 a.m. predicts that the temperature during the Period of Unavailability will drop below thirty degrees Fahrenheit (30°F).

(C) Nothing in this section shall prohibit a utility from establishing a higher temperature threshold below which it will not discontinue utility service.

(5) Discontinuance of Service. From November 1 through March 31, a utility may not discontinue heat-related residential utility service due to nonpayment of a delinquent bill or account provided—

(A) The customer contacts the utility and states his/her inability to pay in full;

(B) The customer applies for financial assistance in paying his/her heat-related utility bill from any federal, state, local or other heating payment fund program for which s/he may be eligible;

(C) The utility receives an initial payment and the customer enters into a payment agreement both of which are in compliance with section (8) of this rule;

(D) The customer complies with the utility's requests for information regarding the customer's monthly or annual income; and

(E) There is no other lawful reason for discontinuance of utility service.

(6) Deposit Provisions. A utility shall not assess a new deposit or bill deposits that were previously assessed during or after the period of this rule to those customers who enter into a payment agreement and make timely payments in accordance with this rule.

(7) Reconnection Provisions. If a utility has discontinued heat-related utility service to a

residential customer due to nonpayment of a delinquent account, the utility, from November 1 through March 31, shall reconnect service to that customer without requiring a deposit; provided—

(A) The customer contacts the utility, requests the utility to reconnect service and states an inability to pay in full;

(B) The customer applies for financial assistance in paying his/her heat-related utility bill from any federal, state, local or other heating payment fund program for which s/he may be eligible;

(C) The utility receives an initial payment and the customer enters into a payment agreement both of which are in compliance with section (8) of this rule;

(D) The customer complies with the requests of the utility for information regarding the customer's monthly or annual income;

(E) None of the amount owed is an amount due as a result of unauthorized interference, diversion or use of the utility's service, and the customer has not engaged in such activity since last receiving service; and

(F) There is no other lawful reason for continued refusal to provide utility service.

(8) Payment Agreements. The payment agreement for service under this rule shall comply with the following:

(A) A pledge of an amount equal to any payment required by this section by the agency which administers LIHEAP, Utilicare or ECIP, or a combination of these, shall be deemed to be the payment required. The utility shall confirm in writing the terms of any payment agreement under this rule, unless the extension granted the customer does not exceed two (2) weeks.

(B) Payment Calculations.

1. The utility shall first offer a twelve (12)-month budget plan which is designed to cover the total of all preexisting arrears, current bills and the utility's estimate of the ensuing bills.

2. If the customer states an inability to pay the budget plan amount, the utility and the customer may upon mutual agreement enter into a payment agreement which allows payment of preexisting arrears over a reasonable period in excess of twelve (12) months. In determining a reasonable period of time, the utility and the customer shall consider the amount of the arrears, the time over which it developed, the reasons why it developed, the customer's payment history and the customer's ability to pay.

3. A utility shall permit a customer to enter into a payment agreement to cover the current bill plus arrearages in fewer than twelve (12) months if requested by the customer.

4. The company may revise the required payment in accordance with its budget or leveled payment plan.

(C) Initial Payments.

1. For a customer who has not defaulted on a payment plan under the cold weather rule, the initial payment shall be the amount of the monthly payment calculated in subsection (8)(B) of this rule.

2. For a customer who has defaulted on a payment plan under the cold weather rule, the initial payment shall be an amount equal to the total of the delinquent installments, unless the utility and customer agree to a lesser amount.

(9) If a utility refuses to provide service pursuant to this rule and the reason for refusal of service involves unauthorized interference, diversion or use of the utility's service situated or delivered on or about the customer's premises, the utility shall maintain records concerning the refusal of service which, at a minimum, shall include: the name and address of the person denied reconnection, the names of all company personnel involved in any part of the determination that refusal of service was appropriate, the facts surrounding the reason for the refusal and any other relevant information.

(10) The commission shall recognize and permit recovery of reasonable operating expenses incurred by a utility because of this rule.

(11) A utility may apply for a variance from this rule by filing an application for variance with the commission pursuant to the commission's rules of procedure.

AUTHORITY: sections 386.250, 393.130 and 393.140, RSMo 2000. Original rule filed June 13, 1984, effective Nov. 15, 1984. Amended: Filed Dec. 30, 1992, effective Oct. 10, 1993. Amended: Filed March 10, 1995, effective Jan. 30, 1996. Emergency amendment filed Nov. 8, 2001, effective Nov. 18, 2001, expired March 31, 2002. Amended: Filed Aug. 16, 2002, effective April 30, 2003.*

**Original authority: 386.250, RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991, 1993, 1995, 1996; 393.130, RSMo 1939, amended 1949, 1967, 1969, 2002; and 393.140, RSMo 1939, amended 1949, 1967.*

4 CSR 240-13.060 Settlement Agreement and Extension Agreement

PURPOSE: This rule establishes procedures where a customer may enter into a settlement agreement or obtain an extension of time in which to pay charges due a utility so that reasonable and uniform standards are established with regard to payment.

(1) When a utility and a customer arrive at a mutually satisfactory settlement of any dispute or the customer does not dispute liability to the utility but claims inability to pay the outstanding bill in full, a utility and the customer may enter into a settlement agreement. A settlement agreement which extends beyond sixty (60) days shall be in writing and mailed or otherwise delivered to the customer.

(2) Every settlement agreement resulting from the customer's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the customer pays the amount of the outstanding bill specified in the agreement and agrees to pay a reasonable portion of the remaining outstanding balance in installments until the bill is paid. For purposes of determining reasonableness, the parties shall consider the following: the size of the delinquent account, the customer's ability to pay, the customer's payment history, the time that the debt has been outstanding, the reasons why the debt has been outstanding, and any other relevant factors relating to the customer's service.

(3) If a customer fails to comply with the terms and conditions of a settlement agreement, a utility may discontinue service after notifying the customer in writing by personal service or first class mail in accordance with 4 CSR 240-13.050—that the customer is in default of the settlement agreement; the nature of the default; that unless full payment of all balances due is made, the utility will discontinue service; and the date upon or after which service will be discontinued.

(4) The utility may enter into an extension agreement upon the request of a customer who claims an inability to pay the bill in full.

AUTHORITY: sections 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. Original rule filed Dec. 19, 1975, effective Dec. 30, 1975. Amended: Filed Oct. 14, 1977, effective Jan. 13, 1978. Rescinded and readopted: Filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 393.140(II), RSMo 1939, amended 1949, 1967.*

4 CSR 240-13.065 Variance

PURPOSE: This rule establishes the procedure to be followed by a utility seeking a variance from any provision of this chapter.

(1) Any utility may file an application with the commission seeking a variance from all or parts of Chapter 13, which may be granted for good cause shown.

(2) A utility filing an application for a variance with the commission shall mail, contemporaneously with the filing, copies of the application by first class mail to the newspaper with the largest circulation in each county within the utility's service area affected by the variance, the public counsel and each party in the utility's most recent rate case who represented residential customers.

(3) Any variance granted by the commission shall be reflected in a tariff.

AUTHORITY: sections 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. Original rule filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(6), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 393.140(II), RSMo 1939, amended 1949, 1967.*

4 CSR 240-13.070 Commission Complaint Procedures

PURPOSE: This rule sets forth the procedures to be followed prior to and in filing formal or informal complaints with the commission regarding matters covered in this chapter.

(1) Prior to filing an informal or formal complaint, the customer shall pursue remedies directly with the utility as provided in this chapter. The commission specifically reserves the right to waive this requirement when circumstances so require.

(2) Any person aggrieved by a violation of any rules in this chapter or the Public Service Commission laws of Missouri relating to utilities may file an informal or formal complaint under 4 CSR 240-2.070.

(3) If a utility and a customer fail to resolve a matter in dispute, the utility shall advise the customer of his/her right to file an informal complaint with the commission under 4 CSR 240-2.070.

(4) If the staff is unable to resolve the complaint to the satisfaction of the parties, the staff shall send a dated letter to that effect to the complainant and to the utility.

(A) The letter shall advise the complainant that, if s/he desires, s/he may file a formal complaint in accordance with 4 CSR 240-2.070.

(B) If the complaint concerns a bill, the nonpayment of which could subject the complainant to discontinuance of service under the provisions of 4 CSR 240-13.050, the staff's letter shall advise the complainant that if a formal complaint is not filed within thirty (30) days of the date of the letter, the complainant may become subject to discontinuance of service.

(5) The commission staff may treat an informal complaint involving the same question or issue based upon the same facts dealt with in a prior informal complaint as already decided, and may advise the complainant that this informal complaint will not be reviewed.

(6) A utility shall not discontinue residential service relative to the matter in dispute during the pendency of an informal complaint and until at least thirty-one (31) days after the date of the letter issued pursuant to section (4), and shall in no case discontinue this service without leaving a notice of discontinuance after the date of the letter issued pursuant to section (4).

(7) Failure of the customer to pay the amount of a bill which is not in dispute, as determined pursuant to sections 4 CSR 240-13.045(5) or (6) of these rules, shall be grounds for dismissal of an informal or formal complaint.

AUTHORITY: sections 386.250(6), RSMo Supp. 1991 and 393.140(II), RSMo 1986. Original rule filed Dec. 19, 1975, effective Dec. 30, 1975. Amended: Filed Oct. 14, 1977, effective Jan. 13, 1978. Amended: Filed Jan. 14, 1981, effective July 15, 1981. Rescinded and readopted: Filed Sept. 22, 1993, effective July 10, 1994.*

**Original authority: 386.250(II), RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991 and 393.140(II), RSMo 1939, amended 1949, 1967.*